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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

ALAN W. JOHNSON

Junior Party
(Patent No. 5,626,204)[1]

v.

HIDEAKI OKADA

Senior Party
(Application 08/818,964)[2]

Patent Interference No. 104,315

MEMORANDUM OPINION AND JUDGMENT

[1] Based on application 08/658,535, filed June 5, 1996. The real party in interest is Sauer-Danfoss, Inc. ("Sauer"). Accorded the benefit of application 08/182,769, filed January 14, 1994; application 07/706,279, filed May 28, 1991; application 07/482,656, filed February 21, 1990; and application 07/319,164, filed March 3, 1989.

[2] Filed March 14, 1997. The real party in interest is Kanzaki Kokyukoki Mfg. Co., Ltd. ("Kanzaki"). Accorded the benefit of application 08/447,545, filed May 24, 1995; application 08/193,577, filed February 7, 1994; application 08/100,352, filed June 21, 1993; application 07/518,720, filed May 4, 1990; and application 07/304,581, filed February 1, 1989. Also accorded the benefit of Japanese applications 63-24193, filed February 3, 1988, 63-55828, filed March 9, 1988, 63-67005, filed March 18, 1988, and 63-79665, filed June 16, 1988.

Before SCHAFER, LEE and TORCZON, Administrative Patent Judges.

LEE, Administrative Patent Judge.

Introduction

This is a decision on the issue of priority. As will be explained below, junior party Sauer has failed to demonstrate priority of invention. On even date herewith, and in a separate paper, we are granting Sauer's preliminary motion 20 for judgment under 35 U.S.C. § 102(f) against the sole claim, claim 11, of senior party Kanzaki corresponding to the count. Entry of judgment against both parties is now appropriate.

Findings of Fact

1. Eight related interferences, including this one, were declared on February 16, 2000, Interference Nos. 104,311 through 104,316 and 104,496 and 104,497.

2. The same Kanzaki application 08/818,964, is involved in each of the eight related interferences.

3. The involved Kanzaki application contains eight essentially copied claims 7-14, one from each of eight different issued patents of junior party Sauer.

4. Each of Sauer's eight different patents is involved in a separate interference with the same Kanzaki application.

5. In this interference, claim 11 is the only Kanzaki claim which corresponds to the count, and the corresponding Sauer claim, claim 1, is the only Sauer claim which corresponds to the count.

6. For efficiency purposes, the parties requested and the administrative patent judge approved that the parties would submit exhibits sufficient in number for only one interference and that papers in all related interferences would make reference to the same set of exhibits.

7. In this interference, the sole count is stated in the Notice Declaring Interference (Paper No. 1) as Sauer's claim 1 or Kanzaki's claim 11.

8. Sauer's claim 1 reads as follows:

> A hydrostatic transaxle having a housing with an interior cavity, an axle assembly in said housing including a differential assembly, the improvement comprising,
>
> a hydrostatic transmission mounted within said cavity and including a generally L-shaped member completely housed within said cavity and having first and second hydrostatic unit mounting surfaces thereon disposed at right angles to each other,
>
> at least a pair of fluid ports in each of said mounting surfaces,
>
> and internal passageways in said L-shaped member connecting at least one of said fluid ports on one of said mounting surfaces with at least one of said fluid ports on the other of said mounting surfaces,
>
> said L-shaped member comprising first and second legs integrally joined and extending at right angles to each other,
>
> said first leg having first and second opposite surfaces with said first mounting surface being located on said first surface,

said second leg having a first surface extending at right angles away from the first surface of said first leg, and a second surface opposite to the first surface of said second leg with the other of said mounting surfaces being on said second surface of said second leg,

said L-shaped member having means for accommodating the mounting thereof within the interior cavity of said housing,

and means for operatively connecting said hydrostatic transmission to said differential assembly.

9. Sauer has been accorded the benefit of the earlier filing dates of applications 07/706,279; 07/482,656; and 07/319,164. The earliest of such filing dates is March 3, 1989.

10. Kanzaki has been accorded benefit of the earlier filing dates of Japanese applications 63-24193; 63-55828; 63-67005; and 63-79665. The earliest of such filing dates is February 3, 1988.

11. On June 29, 1987, representatives from Sauer and representatives from Kanzaki had a personal meeting in the United States. At that meeting, it was generally agreed between the respective company representatives that the two parties will work jointly to develop a rear engine rider package including an IHT (integrated hydrostatic transmission). (Exhibit 2228; Exhibit 2411 ¶ 8; Exhibit 2412 ¶ 3; Exhibit 2413 ¶ 3; Exhibit 2407 ¶ 7).

12. It was also agreed during the June 29, 1987, meeting that Mr. Joseph Louis of Sauer and Mr. Koichiro Fujisaki of Kanzaki would be responsible for the conceptual design of the IHT. (Exhibit 2228; Exhibit 2411 ¶ 9; Exhibit 2412 ¶ 4; Exhibit 2413 ¶ 4; Exhibit 2407 ¶ 8).

13. Neither party represents that the agreement reached on June 29, 1987, to jointly develop a rear engine rider including an IHT was itself a binding contract with enforceable terms. Neither party represents that the agreement was in writing and neither party submitted a summary of each party's specific responsibilities, obligations, and commitments under the agreement. On page 47 of its brief, Sauer states that the parties were jointly developing an IHT pursuant to "what was going to be" a contractual joint venture. We find that the so called "agreement" was merely an intent to cooperate so long as either party saw fit to do so, with an eye toward possibly working out and executing an actual contract for joint venture at a later time.

14. From November 23, 1987, to November 25, 1987, Sauer and Kanzaki personnel met again in the United States, to get started on their "joint" development effort and determine what design would meet market and company requirements. See Exhibit 2232; Exhibit 2412 ¶ 8; Exhibit 2413 ¶ 7.

15. The November 23-25, 1987 meeting included a "brainstorming session" where the parties exchanged ideas regarding the concepts that they had developed prior to the meeting.

16. During the November 23-25, 1987 meeting, Sauer and Kanzaki together chose four design concepts to pursue and decided that the detailed investigation of the center section would be Sauer's responsibility. (Sauer and Kanzaki Fact 60)

17. Sauer's brief does not explain, specifically, what each of the four chosen concepts were. But the cited testimony of Mr. Fujisaki states (Exhibit 2454, page 27 lines 16-22):

> At this time [referring to meeting notes of the November 23-25, 1987 meeting, Exhibit 2388] this concept which was selected was integrated design of housing and center section. However, if we are to have integral housing with center section, there are many difficult problems. Everybody realized those difficulties and in order to find solutions. What it means here is Sauer is going to take the lead to find a solution.

According to Sauer, and consistent with Mr. Fujisaki's testimony, during the November 23-25, 1987 meeting, the parties jointly decided that they would pursue an IHT having a center section that is integral to the housing as opposed to separately mounted in the housing. (Sauer Fact 80)

18. According to Sauer, from November 26, 1987, to February 28, 1988, it worked on two of the four concepts marked for further study at the November 1987 meeting. Sauer admits that neither one of these concepts which it had worked on during that three month time period is within the scope of the count in this interference. (Br. at 26)

Discussion

A. Alleged Diligence of Sauer in Reducing the Invention to Practice

Junior party Sauer does not allege that it reduced the invention of the count to practice prior to Kanzaki's accorded benefit date of February 3, 1988. Rather, it seeks to prevail on the issue of priority by asserting that it had a prior conception which is coupled with reasonable diligence from a time prior to conception of the invention by Kanzaki's inventor to Sauer's own reduction to practice. See 35 U.S.C. § 102(g).

"The reasonable diligence standard balances the interest in rewarding and encouraging invention with the public's interest in the earliest possible disclosure of innovation." Griffith v.

Kanamaru, 816 F.2d 624, 626, 2 USPQ2d 1361, 1362 (Fed. Cir. 1987). General allegations are insufficient to demonstrate reasonable diligence. Wiesner v. Weigert, 666 F.2d 582, 588-89, 212 USPQ 721, 727 (CCPA 1981). Evidence of diligence must be specific as to dates and facts. Kendall v. Searles, 173 F.2d 986, 993, 81 USPQ 363, 369 (CCPA 1949).

The diligence at issue is that for reducing the invention of the count to practice, not that in connection with unrelated activities or inventions, although sufficiently related activities may sometimes qualify as being directed to reducing the invention of the count to practice. Naber v. Cricchi, 567 F.2d 382, 385, 196 USPQ 294, 296 (CCPA 1977)("It is doubtless true that work quite unconnected with the reduction to practice cannot be considered. But whether particular work is sufficiently connected with the invention to be considered to be in the area of reducing it to practice must be determined in the light of the particular circumstances of the case which may be as varied as the mind of man can conceive."); see also Bey v. Kollonitsch, 806 F.2d 1024, 231 USPQ 967 (Fed. Cir. 1986).

Because Sauer's involved patent was at one time co-pending with Kanzaki's involved application, Sauer's burden of proof with regard to demonstrating priority is by a preponderance of the evidence. See e.g., Bruning v. Hirose, 161 F.3d 681, 684, 48 USPQ2d 1934, 1938 (Fed. Cir. 1998); Bosies v. Benedict, 27 F.3d 539, 541-42, 30 USPQ2d 1862, 1864 (Fed. Cir. 1994).

Sauer asserts that Mr. Alan W. Johnson conceived of the invention of the count on September 8, 1987, and actually reduced it to practice by August 17, 1988. However, from Sauer's alleged Facts 86-101 it is apparent that testing on the prototype apparatus assembled on

August 17, 1988, did not commence until August 17, 1988, and evidently extended to sometime in October of 1988. Sauer's own technical expert, Mr. Staffan Kaempe, revealed in his testimony (Exhibit 2386, ¶15) that a part of the basis of his opinion is that it took Sauer from November 1987 to October 1988 to design, build, and test an integrated hydrostatic transmission based on the design shown in Exhibit 2046. In that regard, note that to establish an actual reduction to practice, an inventor must prove that (1) he constructed an embodiment or performed a process that meets all the limitations of the interference count, and (2) he determined that the invention would work for its intended purpose. Cooper v. Goldfarb, 154 F.3d 1321, 1326, 47 USPQ2d 1896, 1900 (Fed. Cir. 1998). A reduction to practice does not occur until the inventor has determined that the invention will work for its intended purpose. Estee Lauder Inc. v. L'Oreal S.A., 129 F.3d 588, 593, 44 USPQ2d 1610, 1614 (Fed. Cir. 1997). Accordingly, Sauer did not actually reduce the invention to practice on August 17, 1988, and the earliest date of actual reduction to practice Sauer could have appears to be sometime in October of 1988. Although some inventions are so simple and their purpose and efficacy so obvious that their complete construction is sufficient to demonstrate workability, Mahurkar v. C.R. Bard, Inc., 79 F.3d 1572, 1578, 38 USPQ2d 1288, 1290 (Fed. Cir. 1996), Scott v. Finney, 34 F.3d 1058, 1061, 32 USPQ2d 1115, 1118 (Fed. Cir. 1994), Sauer does not contend and we do not find that the invention of the count of this interference is such a case.

In its opposition brief, Kanzaki does not seek to demonstrate a date of conception for the invention of the count prior to the date of its Japanese priority application, February 3, 1988.

Therefore, Sauer's date of conception need only be prior to February 3, 1988, provided that there is a showing of reasonable diligence in reducing the invention to practice. Kanzaki disputes Sauer's assertion that Sauer had conceived of the invention of the count on September 8, 1987. But we need not reach that question here, because even assuming that Sauer has a date of conception prior to February 3, 1988, and even further assuming that Sauer has an actual reduction to practice sometime in October of 1988, Sauer has failed to demonstrate reasonable diligence toward reduction to practice from a time just prior to February 3, 1988, to October, 1988.

In the fourth entry appearing in a chart beginning on page 26 of its brief, Sauer specifically accounts for its activities in the period from 11/26/87 to 02/28/88. Also within that entry, Sauer admits that all the identified activities are directed to design concepts outside of the scope of the count. Sauer further does not allege that such activities outside of the scope of the count was somehow either required or necessary for constructing and/or testing an embodiment which is within the scope of the count. This gap, more than three weeks of which are within Sauer's critical period during which Sauer must have been reasonably diligent in reducing the invention to practice, renders unpersuasive Sauer's assertion that it had been reasonably diligent in the critical period for reducing the invention of the count to practice.

Sauer argues that during that initial gap, it was merely relying on agreements made with Kanzaki with regard to what it would work on subsequent to their technical meeting held from 11/23/87 to 11/25/87. The argument is without merit. That the parties together decided to direct

their joint efforts to something outside of the scope of the count does not provide an excuse for either party to not be diligent in reducing the invention of the count to practice. Either for technical or business reasons or a combination of the two, and whatever is its motivation, Sauer chose to pursue something outside of the scope of the count and has nothing to show for more than three weeks at the very beginning of the critical period for reducing to practice the invention of the count. Moreover, Sauer does not allege and it has not been demonstrated that the so called "agreement" between Sauer and Kanzaki precluded either party from separately engaging in the development of other design concepts independent of the other party. Sauer has not shown that during the initial period encompassing the three week gap it had any intention to reduce to practice an invention according to the count, let alone that during that time period it had diligently engaged in specific or meaningful activities toward reducing the invention of the count to practice.

At least on the record presented in this interference, if Sauer assumed that Kanzaki would not develop other concepts on its own, or that an eventual binding joint venture between them would necessarily occur which would incorporate any and all work Kanzaki had developed or would develop on the subject of integrated hydrostatic transaxles, that would appear to be very optimistic wishful thinking and Sauer would be making the assumption at its own risk. The risk is that Kanzaki would have conceived and filed a patent application which possibly was previously conceived by Sauer but for which Sauer had not been diligent toward reducing it to practice. That is the circumstance we now have.

Sauer further argues that because the normal time it takes to design, build, and test a new transmission is at least one year and because Sauer completed this task in only eleven months, it should be regarded as sufficiently reasonably diligent in reducing the invention to practice. The argument is very much misplaced. The statutory provision of 35 U.S.C. § 102(g) concerns the reasonable "diligence" of one who is the first to conceive but last to reduce to practice, not how much faster one reduced the invention to practice, from beginning to end, as compared to an "industry norm" or as compared to anyone else. The term "diligence" pertains to the steady or dogged persistence with which a task is pursued, and not simply how quickly it is accomplished. from commencement to completion. "Diligence" is defined as follows in the Random House College Dictionary, Revised Edition (1982): "constant and earnest effort to accomplish what is undertaken." Note that all who are diligent do not necessarily complete the same task in the same amount of time. Some will complete the task quicker than others, depending on a myriad of relevant factors including the ingenuity and efficiency of the person and also the resources available to the person. Adopting Sauer's rationale, one would say that those who complete the task in less time than average are diligent and those who complete the task in more time than average are not diligent. Such conclusions are on their face irrational and incorrect.

Under the statute, a diligent inventor is not penalized for not being smart, for not being efficient, or for not being very good at what he or she does. So long as the inventor who first conceived of the invention diligently works on reducing the invention to practice, with no inexcusable gap during the critical period, and provided that the invention is ultimately reduced

to practice, he or she is entitled to prevail on priority over another who earlier reduced the invention to practice. An inventor may take one year to reduce an invention to practice and be regarded as diligent; another inventor may take 18 months to reduce the same invention to practice and be regarded as diligent; and still another inventor may take two years to reduce the same invention to practice and be regarded as diligent. Diligence is directed to continuous, steady, or constant effort, and not necessarily to any quick result.

Sauer has not cited to any authority, and we are aware of none, that supports its position that diligence is a measure of how quickly, in absolute measure of time, one reduce an invention to practice, as compared to some "norm." In contrast, we note that quoting from a Sixth Circuit opinion from 1893, the Court of Appeals for the Federal Circuit, in Mahurkar v. C.R. Bard Inc., 79 F.3d 1572, 1577, 38 USPQ2d 1288, 1291 (Fed. Cir. 1996), stated:

> [T]he person "who first conceives, and, in a mental sense, first invents, . . . may date his patentable invention back to the time of its conception, if he connects the conception with its reduction to practice by reasonable diligence on his part, **so that they are substantially one continuous act.**" (Emphasis added.)

For the foregoing reasons, continuity of steadfast effort is the linchpin for determining the presence of reasonable diligence. With the un-excused gap of more than three months from November 25, 1987 to February 28, 1988, more than three weeks of which are within the critical period commencing from February 3, 1988, Sauer has failed to show the necessary reasonable diligence. In its reply, Sauer argues that the public's interest was protected because despite the initial gap, it still completed reduction to practice in a short period of time. We disagree. Had

there not been this three month gap, more than three weeks of which is in Sauer's critical period, Sauer most likely could have reduced the invention to practice earlier. In any event, as already explained above, the issue at hand is not the overall completion time, but whether there had been steadfast and continuous effort sufficient to constitute reasonable diligence. Here, there was not.

Furthermore, it is also questionable how Sauer can group all "transmissions" together as having a "normal" time period for design, construction, and testing. The basis is not articulated. Indeed, much depends on the particular features embodied in the specific transmission being reduced to practice. An adequate time for one transmission may not be adequate for another transmission, and an inadequate time for one transmission may well be adequate for another. Sauer's witness, Mr. Staffan Kaempe testifies in his declaration in ¶ 14: "Based on my experience as General Manager, I believe that the normal time period that it takes to design, build, and test a brand name transmission is at least one year." That testimony is not very meaningful since not all brand name transmissions are necessarily of the same level of complexity.

According to Kanzaki, even for times subsequent to February 28, 1988, Sauer has not shown reasonable diligence in reducing the invention of the count to practice. However, we need not address that issue because even assuming that Sauer was reasonably diligent subsequent to February 28, 1988, that diligence did not commence prior to Kanzaki's effective filing date of February 3, 1988. At the very most, any diligence on the part of Sauer commenced on February 29, 1988, and that is not prior to Kanzaki's date of conception as is required by 35 U.S.C.

§ 102(g) for any entitlement by Sauer to priority of invention relative to Kanzaki.

For the foregoing reasons, Sauer has not satisfied its burden of proof in demonstrating priority of invention over Kanzaki.

We note that Kanzaki has argued that Sauer had derived the invention of the count from Kanzaki. That issue is moot in light of Sauer's failure to demonstrate reasonable diligence in reducing the invention to practice, even assuming that Sauer had a prior conception.

B. Alleged Derivation by Kanzaki

According to Sauer, Exhibit 2045 represents a copy of its first drawings showing complete conception of the invention of the count. Further according to Sauer, (1) Mr. Fujisaki from Kanzaki was Sauer's technical contact regarding the anticipated joint venture; (2) Mr. Alan W. Johnson showed a copy of that which is Exhibit 2045 to Mr. Fujisaki during the meeting held from November 23, 1987, to November 25, 1987; and (3) Mr. Fujisaki returned to Japan with a copy of that drawing. Kanzaki does not dispute that Mr. Fujisaki served as the technical contact person communicating with Sauer, that a copy of the drawing which is Exhibit 2045 was shown to Mr. Fujisaki by Mr. Alan Johnson during their meeting in November 1987, or that Mr. Fujisaki returned to Japan with a copy of that drawing. What Kanzaki argues is that the two figures shown in Exhibit 2045 and relied upon by Sauer do not reflect a complete conception of the invention of the count.

We agree with Kanzaki. The figures of Exhibit 2045 relied on by Sauer do not show every feature of the count in this interference.

Conception is the complete performance of the mental part of the inventive act, and all that remains to be accomplished belongs to the department of construction, not invention. Coleman v. Dines, 754 F.2d 353, 359, 224 USPQ 857, 862 (Fed. Cir. 1985). "It is settled that in establishing conception a party must show possession of every feature recited in the count, and that every limitation of the count must have been known to the inventor at the time of the alleged conception." Id.; see also Sewall v. Walters, 30 USPQ2d 1356, 1358-59 (Fed. Cir. 1994). Even Sauer recognizes, on page 49 of its brief, that to prove conception, it must show possession of each and every feature or limitation in the count, citing Cabilly v. Boss, 55 USPQ2d 1238, 1255 (Bd. Pat. App. & Int. 1998).

According to the count, the center section includes a generally L-shaped member having a first leg and a second leg which are integrally joined at right angles to each other. Further according to the count, the second leg has (1) a first surface extending at right angles away from the first surface of the first leg on which is located a mounting surface, and (2) a second surface opposite the first surface, with another mounting surface on the second surface of the second leg.

Exhibit 2225 is an annotated version of two sheets of figures of Exhibit 2045, and contains annotations placed there by Sauer to explain how the figures shown satisfy the count in this interference. Sauer identifies the first leg by the reference numeral 74, the second leg by the reference numeral 75, the first surface of the first leg by the reference numeral 72; and the second surface of the second leg by the reference numeral 73. By that scheme, the first surface of the second leg is hidden from view and located on the bottom of the second leg 75. Clearly, the first

surface of the second leg does not extend at right angles away from the first surface of the first leg as is required by the count.

Two surfaces cannot form a right angle relative to each other unless they intersect over at least a line segment. Here, as is designated by Sauer in Exhibit 2225, the first surface of the first leg and the first surface of the second leg intersect, if at all, at most only at a point. It is evident from the upper right hand figure in Exhibit 2225 that the first surface 72 of the first leg 74 and the first surface (on the bottom and hidden from view) of the second leg are not sufficiently related in positioning to be meaningfully characterized as having one surface extending away from the other surface at a right angle. The most that can be said, if at all, is that an outside edge of the first surface of the second leg extends at right angles away from an outside edge of the first surface of the first leg, and that is not sufficient, even under a broadest reasonable interpretation, to say that the first "surface" of the second leg extends at right angles away form the first "surface" of the first leg. While Sauer's annotation includes the wording "right angle" and the illustration of a right angle, they are not directed toward the two surfaces at issue, i.e., the first surface of the second leg which is on the bottom side of the second leg and hidden from view and the first surface of the first leg.

Sauer in its brief offers no explanation whatsoever as to why it is that any figure in Exhibit 2225 should be read as revealing that the first surface of the second leg extends at right angles away from the first surface of the second leg. We cannot locate even an assertion in Sauer's brief to the effect that in the annotated figures of Exhibit 2225 the first surface of the

second leg extends at right angles away from the first surface of the first leg. The first surface of the second leg is not even labeled with any reference numeral. It is apparent that Sauer has neglected to account for this aspect of the subject matter of the count.

Additionally, we further find that the structure disclosed in the upper right hand figure of Exhibit 2225 is not generally L-shaped as is required by the count. While both Mr. Joseph Louis and Mr. Alan Johnson in their respective declarations refer to the structure shown in the upper right hand figure of Exhibit 2225 as a generally L-shaped member 48, neither provides any explanation for that conclusion. In our view, no matter how the figure is rotated, the overall structure cannot reasonably be deemed as "generally L-shaped." We are not persuaded by the declaration testimony of Mr. Joseph Louis and Mr. Alan Johnson which offer no explanation for their regarding the structural component 48 as generally L-shaped. In our view, the structure is not reasonably close to having an L shape in appearance and so it is not generally L-shaped. No particular interpretation is necessary, since the descriptive language is a common term out of the English language. Sauer does not contend that it has given special meaning to the term or that the term is a technical term of art in this field with a standardized conventional meaning.

In arriving at our conclusion regarding the "generally L-shaped" feature, we have not had occasion to consider the testimony of Kanzaki's witness Mr. Roland von Kaler. Therefore, it is not necessary to reach Sauer's argument that we should discredit the testimony of Mr. von Kaler. We are simply not persuaded by the conclusory reference to a generally L-shaped member by Mr. Alan Johnson and Mr. Joseph Louis on this issue, even without considering or relying on any

testimony of Mr. von Kaler and while giving the term "generally L-shaped" its broadest reasonable interpretation. Note that Paragraph No. 42 in the Standing Order states:

> Affidavits expressing an opinion of an expert must disclose the underlying facts or data upon which the opinion is based. See Fed R. Evid. 705 and 37 CFR §§ 1.639(b) and 1.671(b).
>
> Opinions expressed without disclosing the underlying facts or data may be given little, or no, weight. See Rohm and Haas Co. v. Brotech Corp., 127 F.3d 1089, 1092, 44 USPQ2d 1459, 1462 (Fed. Cir. 1997) (Nothing in the Federal Rules of Evidence or Federal Circuit jurisprudence requires the fact finder to credit the unsupported assertions of an expert witness).

Applying the broadest reasonable interpretation, we are of the view that the structure as a whole must generally exhibit an "L" shape, and that it is not enough that a cross-section at some intermediate part of the structure has an "L" shape. A cross-section captures only a snap shot at a single location along the entire width or length of a structural member and does not necessarily reflect the shape of the overall structure, as it is the case here.

Furthermore, Kanzaki points out on page 22 of its brief that even Mr. Alan Johnson, Sauer's witness, has testified that an object that has other structure attached to it, so it is not as a whole L-shaped is not an L-shaped center section. Sauer does not dispute that Mr. Johnson has so testified, but argues that what Mr. Johnson is referring to is an "L-shaped" object and not a "generally L-shaped" object. The argument is misplaced. The clear import of Mr. Johnson's testimony is that one must look to the shape of the object as a whole to determine its shape. In that context, it does not matter if Mr. Johnson at the time of providing the testimony is referring to an "L-shaped" object or a "generally L-shaped" object. This specific testimony of Mr. Alan

Johnson significantly undermines the unexplained references to structure 48 in Exhibit 2225 as a generally L-shaped member. Accordingly, Sauer has failed to satisfy its burden of proof.

We reject Kanzaki's contention that based on Sauer's prosecution history, i.e., Sauer's representation that the center section, being L-shaped and having horizontal and vertical legs, allows one rotating unit to be on the upper surface of the horizontal leg, and the second rotating unit to be on the outside surface of the vertical leg, "generally L-shaped" means that the pump and motor must extend away from each other rather than facing each other. Based on Sauer's representation, an L-shaped configuration allows, not requires, one of the pump and motor to be on top of a horizontal surface and the other to be on the outside of the vertical surface. The distinction urged by Sauer, essentially that the pump and motor are separated by a leg on the "L," actually derives support from other claim features which are also present in the count, i.e., that the second mounting surface is on the second surface of the second leg opposite the first surface of the second leg which extends at right angles away from the first surface of the first leg on which is located the first mounting surface. In that regard, we have already explained above how the upper right hand figure in Exhibit 2225, as annotated by Sauer, does not satisfy these requirements.

For the foregoing reasons, Sauer has failed to establish complete conception of the invention of the count prior to or on November 23, 1987, and thus Sauer has also failed to demonstrate that Kanzaki derived the invention of the count from Sauer through a communication that occurred in a meeting held on November 23-25, 1987.

Judgment

It is

ORDERED that judgment as to the subject matter of the count is herein entered against junior party JOSEPH E. LOUIS and ALAN W. JOHNSON;

FURTHER ORDERED that junior party JOSEPH E. LOUIS and ALAN W. JOHNSON is not entitled to its involved patent claim 1 which corresponds to the count;

FURTHER ORDERED that senior party HIDEAKI OKADA is not entitled to claim 11 of its involved application, which corresponds to the count;

FURTHER ORDERED that if there is a settlement agreement, attention of the parties is directed to 35 U.S.C. § 135(c) and 37 CFR § 1.661; and

FURTHER ORDERED that a copy of this paper will be entered in each party's involved application or patent.

Richard E. Schafer)
Administrative Patent Judge)
)
Jameson Lee)
Administrative Patent Judge) BOARD OF PATENT
) APPEALS
Richard Torczon) AND
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